

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF HIGHLANDS-MEAD METROPOLITAN DISTRICT

June 16, 2026 at 5:30 p.m. via Teleconference

Attendance / Qualification

The special meeting of the Board of Directors of the Highlands-Mead Metropolitan District was called and held as shown above in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Bryon Fessler, President
Richard Felter, Vice President
Joshua Crites, Secretary
Rene Singer, Treasurer
Janice Bachmann, Assistant Secretary

Also present: Dan Cordova, Public Alliance LLC, District Manager; Sean Allen, WBA, General Counsel; and members of the public.

Call to Order / Quorum

Director Fessler called the meeting to order at 5:31 p.m. Director Crites conducted roll call and noted that a quorum of the Board was present.

Conflict of Interest Disclosures

Mr. Cordova inquired into whether members of the Board had any disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. Each Board member confirmed there were no conflicts of interest.

Approval of Agenda

The Board reviewed the agenda. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Public Comment

The President provided an update regarding the District's current assessment of financial exposure associated with unfinished, deficient, and unaccepted public improvements. He reported that the District estimates approximately \$855,000 in potential costs, including landscaping deficiencies and warranty obligations, anticipated box culvert bridge repairs, and historical expenditures previously incurred by the District. The President further stated that the President and Treasurer believe the governing development documents contemplated completion, correction, warranty, conveyance, and acceptance of public improvements in accordance with applicable Town standards before responsibility transferred to the District. He noted that the Town's settlement with the developer has significantly limited the District's ability to seek completion and correction from the

responsible party while leaving the District exposed to substantial future costs. The President then opened the floor for public questions and comments.

- **Pet Waste Signage:** A homeowner inquired about installing signs reminding residents to pick up after their pets. The Board acknowledged the request and indicated it may consider such signage at a future date after addressing current matters involving the Town and developer.
- **E-Bikes, E-Scooters, E-Dirt Bikes:** A homeowner expressed concerns regarding the operation of e-bikes, e-scooters, e-dirt bikes and similar motorized vehicles within the community. The Board stated that enforcement of traffic laws and vehicle regulations is a local law enforcement matter and encouraged residents with concerns to contact the Town's non-emergency police services or community resource officers for assistance.
- **Demand Letter:** A homeowner asked whether the District was considering sending a demand letter to the Town and whether any requested relief would exceed the District's estimated damages and costs related to the developer installed public improvements. The Board indicated that it would be consulting with legal counsel regarding potential claims and related matters during the Executive Session.
- **Phase 2 Landscaping:** A homeowner expressed concerns regarding the condition of the developer installed Phase 2 landscaping and asked when the Board intended to address these issues. The Board responded that addressing these matters was the primary reason for calling the Special Meeting and that the Board would be discussing them with legal counsel during the Executive Session, including issues relating to landscape conditions, acceptance and enforcement matters, maintenance responsibilities, associated costs, and potential negotiations with the Town and developer.
- **Seller's Property Disclosure.** A homeowner asked whether the Seller's Property Disclosure should be updated to reflect the deficient and unfinished developer installed public improvements within the community. The Board agreed to evaluate the issue following the Executive Session and determine whether any updates or further action are warranted based on the outcome.

Executive Session

Following discussion, upon a motion duly made and seconded, the Board unanimously approved going into Executive Session at 6:04 p.m. pursuant to Colorado Revised Statutes, Section 24-6-402(4)(b) and (e) for: (i) the purpose of receiving legal advice regarding Town of Mead and Developer Settlement Agreement; and (ii) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators as these purposes relate to Phase 1 and 2 Landscape conditions, Town conditional acceptance, Town enforcement, Town final acceptance, and past, current and future Phase 1 and 2 Landscape maintenance and costs, and proposed amendment to the Town and District IGA.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District's attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

The Board reconvened in regular session at 7:30 p.m., and the Board considered the following matters:

Emergency Motion to Prevent Further Damage to Phase 2 Landscaping

Following discussion, upon a motion duly made and seconded, the Board unanimously approved that 1) Immediate action is necessary due to the early abandonment by the Town of Mead and Highlands Mead LLC of maintenance and operations of the landscaping in Phase 2 to prevent further deterioration and damage to the Phase 2 landscaping, irrigation system, trees, vegetation, and related improvements; 2) President and Treasurer are authorized to act on behalf of the District to work directly with Public Alliance District Management and qualified contractors to perform essential irrigation management, watering, repairs, maintenance, and other services necessary to preserve and protect the Phase 2 improvements; 3) Authorized expenditures not to exceed \$20,000 for such emergency measures while the District continues to pursue resolution and reimbursement from the Town of Mead and other potentially responsible parties.

Proposed Motion Authorizing Preparation of Demand Letter

Following discussion, upon a motion duly made and seconded, the Board unanimously authorized 1) District General Counsel is authorized to prepare a formal demand letter to the Town of Mead addressing the District's claims and concerns relating to unfinished and deficient public improvements, landscaping and irrigation obligations; the box culvert bridge and associated Adams Circle roadway segment; reimbursement of historical District expenditures; and such other matters as counsel deems appropriate to protect the District's interests; 2) President is authorized to review and approve the final demand letter on behalf of the District prior to its transmission to the Town; 3) President is authorized, in consultation with District General Counsel, to engage in discussion and negotiations with representatives of the Town of Mead concerning the matters set forth in the District's demand letter and any related settlement proposals.

Conveyance and Acceptance of Public Improvements

Following discussion, upon a motion duly made and seconded, the Board unanimously 1) Acknowledged that substantial deficiencies in Public Improvements, maintenance and warranties exist; 2) District General Counsel is authorized to alert the Town of Mead, the County of Weld and the Highlands Mead

LLC that the Board of Directors hereby does not accept conveyance or attempted conveyance of any real property from the Highlands Mead LLC by unilateral quitclaim deed or otherwise as the District has an established and preferred acceptance process that must be adhered to and followed.

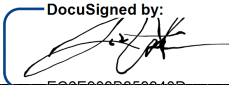
Town-District IGA Amendment Proposal

The Board discussed that negotiations with the Town may result in amending the existing Town-District IGA.

Adjourn

Upon a motion duly made and seconded, the Board unanimously adjourned the meeting at 7:54 p.m.

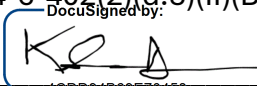
The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


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Joshua Crites, Secretary
Highlands-Mead Metropolitan District

ATTORNEY STATEMENT REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing the Highlands-Mead Metro District, I attended the executive session referenced above: (i) the purpose of receiving legal advice pursuant to Section 24-6-402(4)(b), Colorado Revised Statutes; and (ii) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategies for negotiations, and instructing negotiators as these purposes relate to Phase 1 Landscape conditions, Town conditional acceptance, Town enforcement, Town final acceptance, and past, current and future Phase 1 Landscape maintenance and costs pursuant to Section 24-6-402(4)(e), Colorado Revised Statutes. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.


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Sean Allen, Esq., for WBA, PC – District General Counsel